

**EDUCATION DEPARTMENT[281]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code section 256.7(5), the State Board of Education hereby amends Chapter 96, “Statewide/Local Option Sales and Services Tax for School Infrastructure,” Iowa Administrative Code.

As of June 30, 2010, unreserved, undesignated fund balances ceased to exist as classifications pursuant to Statement 54 issued by the Governmental Accounting Standards Board (GASB 54). This amendment conforms the rules to comply with GAAP (Generally Accepted Accounting Principles).

An agencywide waiver provision is provided in 281—Chapter 4.

Notice of Intended Action was published in the February 23, 2011, Iowa Administrative Bulletin as **ARC 9373B**. Public comments were allowed until 4:30 p.m. on March 15, 2011. No written or oral comments were received.

This amendment is identical to that published under Notice.

This amendment is intended to implement Iowa Code chapters 423E and 423F and GASB 54.

This amendment will become effective May 25, 2011.

The following amendment is adopted.

Amend paragraph **96.4(2)“h”** as follows:

*h.* Evidence of a healthy financial condition and long-term financial stability. The school district shall provide:

(1) Calculation of unspent balance on the generally accepted accounting principles (GAAP) basis. The calculation shall include five years of history and three years of projected balances. The calculation of budget authority shall show and project the effect of the phaseout of the budget guarantee. Projected allowable growth shall be that known or generally anticipated at the time of the application. If the percent of allowable growth is not known or anticipated, an allowable growth of no more than 2 percent shall be utilized in the annual projections.

(2) If the unspent balance is negative in any current or projected year on the GAAP basis, the school district shall include a copy of the corrective action plan, if any, submitted to the SBRC.

(3) Calculation of ~~unreserved~~ fund balance on the GAAP basis by fund. The calculation shall include five years of history and three years of projected balances.

[Filed 4/1/11, effective 5/25/11]

[Published 4/20/11]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 4/20/11.